



The Solutions Network

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Rochester, New York

# Contracting for Renewable Energy

A DESC Perspective

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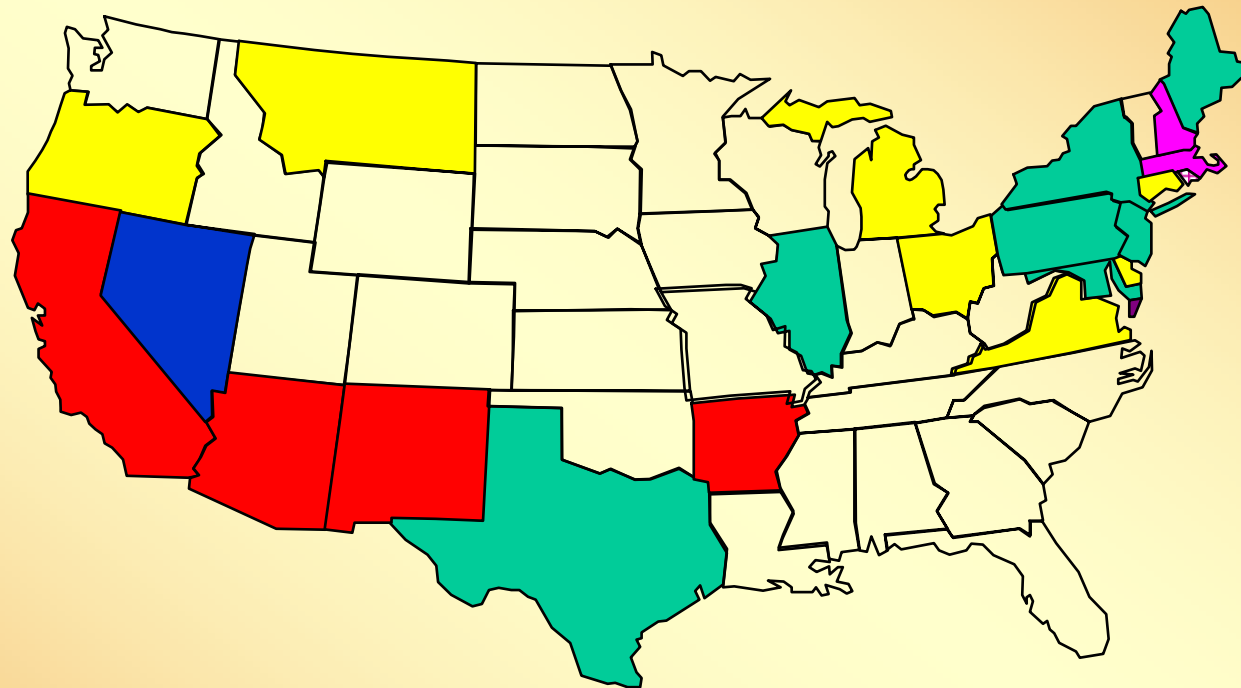
# What Can I do?


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- Options (for lack of a better word)
  - Build it yourself
  - Buy it from the utility
  - Buy it from your commodity supplier
  - Buy Renewable Energy Certificates


# Where Can I do It?





 States in which DESC has awarded contracts

 States solicited but the utility was determined the best value to the Government

 Deregulation/restructuring not approved

 Deregulation/restructuring suspended/repealed/cancelled

 First time solicitation ongoing

 Open but untested market

# Option #1 – Build it

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- Build it yourself
  - On-site
    - Eliminates/reduces T & D expenses
    - Reduces security concerns
- Choose the right technology
  - Your location may dictate
- Consider effects of standby charges

## Option #2 – Buy It (utility)

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- Buy it from the utility
  - Some states have utility programs
  - High unit cost (comparatively)
  - Mixed commodity
- Not available everywhere
- Many appear more worried about meeting RPS than offering renewable programs

## Option #3 – Buy it (competitive)

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- Contract with your Competitive Supplier
  - Bundle a percentage or quantity with commodity
  - Limited flexibility
    - Often have to take what you are offered
    - Competitive suppliers are not always the most capable renewable suppliers
  - Moderate to High unit cost
  - Can be hard to evaluate
    - Must be specific defining requirements

## Option #4 – Buy it (Tags)



- Contract for Renewable Energy Certificates, Green-Tags, Tradable Renewable Certificates, etc.
  - Low to moderate unit cost
  - Higher flexibility
    - What you want – customer defines type, region
    - How you want it - \$\$ available, monthly/quarterly
    - Who can supply it – many more offerors when compared to competitive supplier option.

# Things to Know



- Must be biomass, geothermal, solar, wind
  - No hydro, natural gas or nuclear
- Need to require attestation forms
  - Terra Choice, Green-e, State programs, others
- Far Part 12
  - Commercially available product
  - Non-manufactured end item of supply
- NAICS
  - 221119 – Other electric power generation



# Issues



- Protests
  - Type/source – I have biomass why are you requiring wind?
  - Location – I'm in Arizona why do you require New England based power?
  - Green-e accepts hydro why won't you?
  - Don't mention a specific third party verifier in your solicitation.
  - What is "new"
- Color of Money (still an issue?)
  - Some legal offices still question
- What the future holds?
  - The market has evolved drastically in the past several years
  - Several ideas in the works but nothing currently leads the pack

# Added Benefits

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- Recognition
  - EO 13123 goals
  - Green Power Partnership - Green Power Leadership Awards
  - FEMP Focus and various other awards
  - Presidential Award for Leadership in Federal Energy Management

# Proven Experience

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- Combined power and tags – DoE New York
- Combined power and tags – NASA, Navy and Air Force Texas
- Tags – Army Military District of Washington
- Tags – EPA NC, GA, NV, MI, MN, DC
- Currently working with the AF and EPA on near future projects

# Where Can I Go For Help?

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